

ASSESTS AND SERVICES COMMITTEE

17 JUNE 2020

AGENDA ITEM E1

PUBLIC EXCLUDED

HUTCHINGS METAL PIT, 100 FENWICKS LINE GREYTOWN

Purpose of Report

To request the Committee consider and recommend to Council that the Hutchings Metal Pit at 100 Fenwicks Line, Greytown be sold pursuant to the Public Works Act 1981.

Recommendations

Officers recommend that the Committee:

1. *Receive the Hutchings Metal Pit, 100 Fenwicks Line Report.*
2. *Agree that Hutchings Metal Pit is no longer needed for a public work and recommend to Council that it should be offered for sale pursuant to section 40 of the Public Works Act 1981.*
3. *Recommend to Council to delegate to the Chief Executive the authority to negotiate and complete the sale of Hutchings Metal Pit for a minimum sale price of \$40,000 and to assign the current lease to the new owner.*
4. *Agree that the Report, Recommendations and Minutes be released from public excluded following completion of the sale of the property.*

1. Background

Council owns 0.817 hectares of land known as Hutchings Metal Pit at 100 Fenwicks Line, Greytown legally described as Part Section 19, Moroa District Block V Huangarua Survey District (see map and photographs at Appendix 1 and Certificate of Title at Appendix 2). The land is physically located on Wards Line and officers understand the roads have been realigned some time ago but the land was not subsequently re-registered.

The land was taken in 1949 from the landowner of 618 Wards Line, Greytown under the Public Works Act for a public work, namely a gravel pit (see Featherston County Council resolution at Appendix 3). It is currently leased to Ground Control Scape & Construct Ltd for the purposes of storing construction and landscaping products. The

current owner of 618 Wards Line has requested that the land be sold to them under section 40 of the Public Works Act 1981 (PWA). That owner has agreed to an assignment of the existing lease.

Officers reported to the Council meeting of 3 June and Council referred the matter to this Committee for further consideration.

2. Discussion

2.1 Disposal to former owner of land, section 40 Public Works Act 1981

Under section 40 of the PWA, if land held for a public work is no longer required for the public work that it was taken for, or is no longer required for any other public work, Council should endeavour to offer it back to the original owner or their successor, unless certain exemptions apply. The first exemption is where Council considers it would be impracticable, unreasonable or unfair to do so. The second is where there has been a significant change in the character of the land for the purposes of, or in connection with, the public work for which it was acquired or is held. The third is where the Council believes on reasonable grounds that because of the size, shape, or situation of the land it could not expect to sell the land to any person who did not own the land adjacent to the land to be sold, in which case the land may be sold to an owner of adjacent land.

2.2 Land is no longer required for a public work

The land has not been used as a gravel pit for many years. The pit has been filled but the land fell into disuse and dumping on the land has occurred. The land was leased in June 2019 until 1 July 2021 with a right of renewal for two further years.

Officers consulted internally with the Amenities, Roading, Planning and Environmental Services teams, and with Wellington Water and advised Council that the land was not required for a public work. Council asked officers to reconsult and confirm this position with this Committee.

“Public work” is defined broadly in section 2 of the PWA to include:

every Government work or local work that the Crown or any local authority is authorised to construct, undertake, establish, manage, operate, or maintain, and every use of land for any Government work or local work which the Crown or any local authority is authorised to construct, undertake, establish, manage, operate, or maintain by or under this or any other Act; and include[s] anything required directly or indirectly for any such Government work or local work or use ...

The Environmental Services team has considered whether this land could be used for a replacement dog pound facility. The team has reported to the next Planning and Regulatory Committee meeting on 1 July regarding a proposed combined dog pound facility with Carterton District Council (CDC). The report notes the Council’s current pound is not meeting requirements that allow for the proper custody, care and exercise of impounded/seized dogs. The report has narrowed the options for a proposed facility and is seeking direction from the Planning and Regulatory Committee.

The Environmental Services team do not recommend that Hutchings Metal Pit be retained for a dog pound. There is no infrastructure, such as power, water and sewage, at the site. The land is potentially contaminated and the soil substructure's suitability for building is unknown. The proximity to neighbours and potential for noise nuisance is also a concern. In addition, the options for a shared facility are now well developed. It is unlikely that the site offers the same benefits as the options identified and the advantages of a shared facility with CDC could potentially be lost. Any further delay as a result of investigating the suitability of the site would also prolong the Council's non-compliance.

Given the constraints of the site, officers across Council can confirm their view that the land is no longer required for any public work.

2.3 Section 40 assessment

If Council agrees that the land is no longer required for a public work, the obligation under section 40 of the PWA to endeavour to offer back the land to the original owner applies, unless the exceptions outlined in paragraph 2.1 apply.

Officers consider that it is not impracticable, unreasonable or unfair to offer the land back to the original owner. The dimensions and title of the land have not been altered since it was taken. The original owner was compensated for taking the land and a fair price would be negotiated for the sale, so there would be no unreasonable loss or gain for the council or the purchaser. Officers understand that the original owner is relatively easy to locate.

The character of the land has changed in that it is now full of fill and it may be contaminated from that fill or other materials dumped on the land. However, officers do not consider this should preclude the land being offered back to the original owner in the first instance.

Officers believe that because of the size, shape, or situation of the land Council could expect to sell the land to any person who did not own the land adjacent to the land in question. Although the land is relatively small and was clearly part of 618 Wards Line, it is well situated and has good road access. It is also currently leased. There are therefore reasonable grounds to expect that the land could be sold to a person who did not own the adjacent land.

Officers do not, therefore, consider that the exceptions apply and Council should endeavour to offer the land back to the original owner. The owner of 618 Wards Line has advised that if the exceptions do not apply, the original owner has agreed to enter into a contract with them to on-sell the benefit of their right.

2.4 Acquisition and Disposal of Property Policy

Paragraph 3.2.3 of SWDC's Acquisition and Disposal of Property Policy (Policy) provides that all property for disposal must be advertised for sale on the open market, except where otherwise approved by Council because of special circumstances e.g. where an open market does not exist, such as in the case of selling an area of unwanted road reserve to the adjacent property owner. The obligation to offer back the land to the original owner under the PWA is such a special circumstance.

Paragraph 3.3.2 of the Policy requires that SWDC's solicitors are kept informed and their advice sought on any aspect of a proposed acquisition or disposal. Officers will instruct solicitors should Council agree to the recommendations in this report.

2.5 Valuation

Section 40 requires that the land be offered back at the current market value as determined by a valuation carried out by a registered valuer. The land has a registered valuation for the purpose of the sale at \$43,000 (inclusive of GST if any) by Forrester Valuations (see valuation report at Appendix 4). Officers propose the Council offers to sell the land at or near valuation.

2.6 Next steps

If Council agrees that the land is no longer required for any public work, officers will confirm with council's solicitors, officers' interpretation of section 40 of the PWA and the correct process for sale under the PWA and council's policies.

Officers will also confirm the valuation and underpinning assumptions.

Officers recommend that Council delegates to the Chief Executive the authority to negotiate the final sale to a minimum price of \$40,000 (inclusive of GST if any) and to complete the sale. Council should also delegate to the Chief Executive the authority to assign the existing lease to the new owner. Costs for disposal will be charged against the asset sale. The net proceeds from the sale will be transferred to the Asset Realisation Reserve.

The address anomaly will be resolved when the land is transferred to the purchaser.

2.7 Consultation

There are no consultation requirements for the proposed sale.

2.8 Legal implications

There are no additional legal implications.

3. Appendices

Appendix 1 – Map and photographs

Appendix 2 – Certificate of title

Appendix 3 – Featherston County Council resolution 8 July 1949

Appendix 4 – Valuation report

Contact Officer: Bryce Neems, Amenities and Waste Manager

Reviewed By: Euan Stitt, Partnerships and Operations General Manager

Appendix 1 – Map and photographs





Appendix 2 – Certificate of title



**RECORD OF TITLE
UNDER LAND TRANSFER ACT 2017
FREEHOLD
Search Copy**



R. W. Muir
Registrar-General
of Land

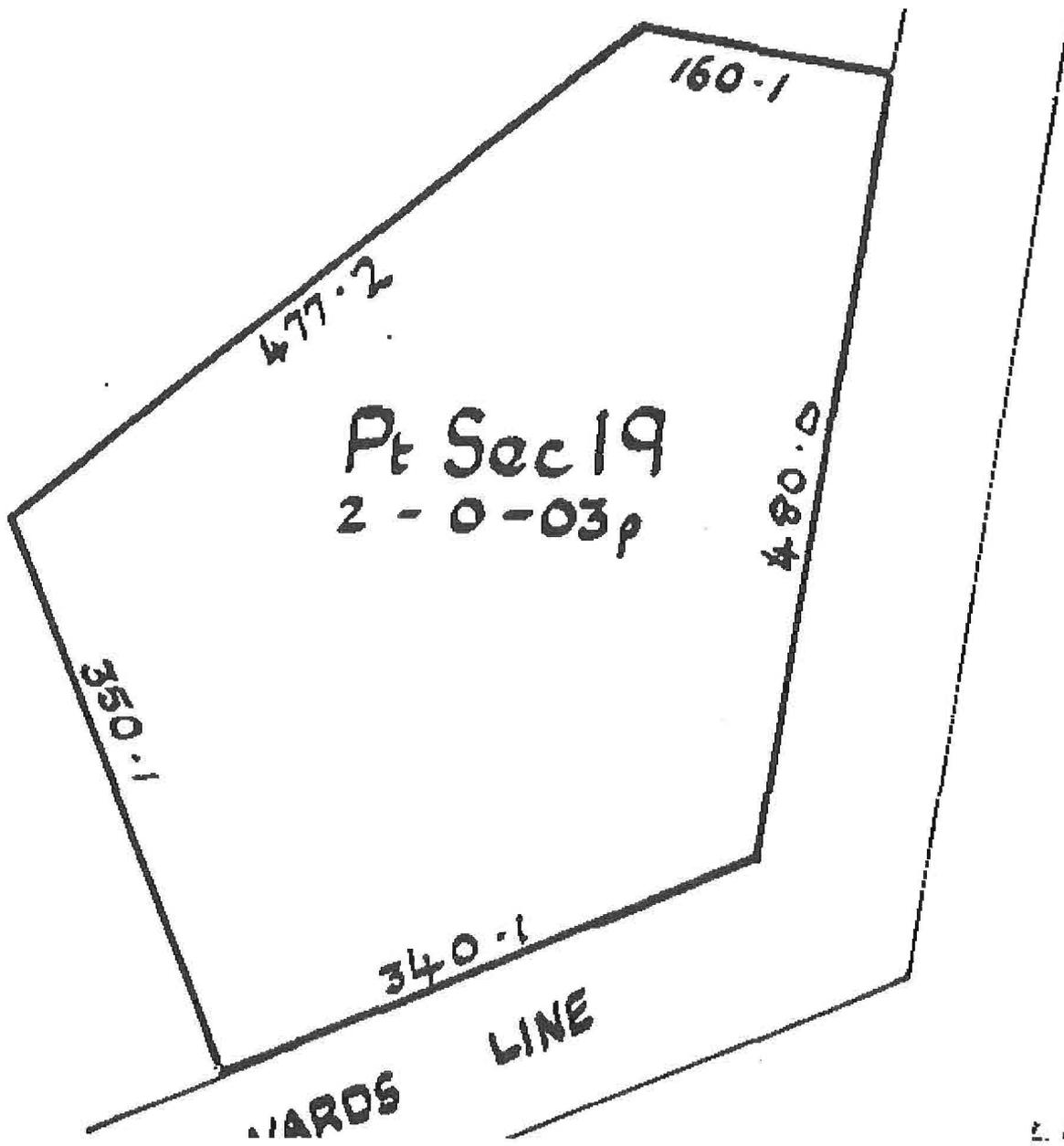
Identifier WNE4/761
Land Registration District Wellington
Date Issued 24 August 1966

Prior References
PROC 4083

| | |
|--------------------------|---------------------------------|
| Estate | Fee Simple |
| Area | 8170 square metres more or less |
| Legal Description | Part Section 19 Moroa District |
| Purpose | A gravel pit |

Registered Owners
The Featherston County Council

Interests



Pt Sec 19
2 - 0 - 03p

160.1

477.2

350.1

480.0

340.1

WARDS

LINE

E. F. H. S. 1900

Appendix 3 – Featherston County Council resolution 8 July 1949

5th July
1949
Reports:

The Health Inspector's report as follows was read:- 1st January - 30th June, 1949.

Infectious disease etc: Investigations were made in connection with suspect food poisoning.
Buildings, habitations etc: 19 inspections.

Factory (2), Fellingham and alterations and additions, Martinborough (Evans), Wards Line (Aburn).
Inspections included new residences - Moiki (Riddiford), Featherston (Dairy

Inspections were made for report to the Annual Meeting of the Wairarapa Licensing Committee and all hotels recommended for renewal of license. A report was also made in respect to fire-escapes, and although not to the standard code of Egress requirements, it was recommended that the standard existing was satisfactory. Inspections have also been made - South Featherston (Burton Holdings).

Plumbing, drainage etc: 37 inspections.

15 septic tanks have been installed and drains tested at Greytown (Mahupuku), (Bunny), (Monorieff), South Featherston (Dairy Co. - 2 house combined), (Xulo), Kahautara Rd (Thurston), (Donald), (Te Naire), Batterssea (Mason), Wards Line (Aburn), Featherston (Benton), Moiki (Riddiford), Martinborough (Evans). Proposed septic tanks inspected - Skeet Batterssea, Fellingham - Featherston, and Golf Course - Martinborough.

Requisitions have been served re farm drainage (South Featherston - Burton Holdings), house drainage (Ahiakouka - Bell), and re water supply - Moroa Rd (Williams) - all work in hand - delay either being due to tradesmen or lack of cement.

Food Premises: The food premises - Greytown Featherston Road have been inspected. The Wine manufacturing Aris is satisfactory; but the other premises - Jones, do not comply with Regulations, and an undertaking has been given that all food handling operations will cease as from 30th June. Further inspections will be made.

Mr. Reeves Rd:

The report from the Wairarapa Catchment Board to the Greytown Borough Council was read. Cr. Thompson reported on his meeting with Representatives of the Greytown Borough and Mr. Judd. After consideration Cr. Thompson moved that the Council regrets that it can not see its way to expend any further money beyond the installation of pipes promised previously. Seconded by Cr. Donald and carried.

Hitchings Metal Pit:

Cr. Martin moved:

- That the Council agrees to the terms of compensation for taking a gravel pit 2 acres 3 perches being part Section 19 Moroa Block situated in Block V Huangarua Survey District as shown on S.O. Plan No: 21204, viz:
 - Compensation £86. 12. 5 of which £86 has already been paid.
 - The Public Trust to have the right to take not more than 100 cubic yards of metal per annum from the pit for use for farm purposes on adjoining lands.
 - County to fence boundary of land taken if so requested by Public Trustee and to maintain such fence.
 - That the Common Seal be affixed to the Agreement with the Public Trustee now produced embodying the above terms and that the Chairman and County Clerk attest the same.
 - That a memorial be addressed to His Excellency the Governor - General requesting the issue of a Proclamation vesting the aforesaid lands in the County for the purposes of a gravel pit and that Councillor Matthews and Councillor Cameron do sign such memorial on behalf of the Council.
- Seconded by Cr. Bidwill and carried.

Knoll Road Alterations:

Moved by Cr. Martin:

That Councillor Donald and Councillor Welch execute the Memorial to His Excellency the Governor - General applying for the issue of a Proclamation legalising the alterations to this road as shown on Plan No: S.O. 20792 approved by the Chief Surveyor affecting the land of Stanley McDonald Haigh, Edward Roy Burch, Gwladys Hobson, Henry Merwood, The Public Trustee and His Majesty the King, and that the Chairman be authorised to execute the necessary declaration.

Seconded by Cr. Bidwill and carried.

Atkinson's Metal Pit:

Moved by Cr. Bidwill that the Chairman and Clerk sign and seal the agreements between Henry James Atkinson and David Leslie Bell and the Council for the taking of land for a metal pit. Seconded by Cr. Matthews and carried.

Cattle Stops:

The Clerk submitted the proposed cattle stop design as submitted by the Public Works Department. Cr. Matthews moved that the engineer submit for approval a design to suit the requirements of the Council and that he have all proposed cattle stop sites placed on litho for legalisation. Seconded by Cr. Cameron and carried.

L.H. Calvert Rate Arrears:

The Clerk submitted a Balance Sheet as supplied by Mr. Calvert at the request of the Council so that an arrangement could be entered into re arrears of rates. After discussion the Clerk was directed on the motion of Cr. Martin, to hand same to the County Solicitor for collection. Seconded by Cr. Cameron and carried.

Ranger:

The Clerk reported that the County Ranger was ill in Hospital and asked permission to make arrangements with the Local Borough for use of their ranger if necessary. Cr. Bidwill moved that permission be granted. Seconded by Cr. Martin and carried.

Tuturumuri Roadman:

Cr. Donald moved that Crs. Martin and McLeod be a Committee to go into the applications for Tuturumuri Roadman when all replies are to hand. Seconded by Cr. Cameron and carried.

Requirements:

- | | | |
|---------------|---------|----------------------------------|
| No: 1 Riding: | General | |
| No: 2 Riding: | " | |
| No: 3 Riding: | " | Grader. Railing Burlings Bridge. |
| No: 4 Riding: | " | Drain cleaning. |
| No: 5 Riding: | " | Rails Ruakokopatuna Road. |
| No: 6 Riding: | " | |
| No: 7 Riding: | " | |
| No: 8 Riding: | " | |
| No: 9 Riding: | " | |

CONFIRMED
A. B. Martin
CHAIRMAN
DATE 12/8/49

Appendix 4 – Valuation report



FORRESTER VALUATIONS

VALUERS & PROPERTY CONSULTANTS

Totara Business Village
407 Queen Street, Masterton
W: 06 3770657
C: 0274426923
E: forrestervaluations@gmail.com

VALUATION REPORT

100 FENWICKS LINE, SOUTH WAIRARAPA



Date Of Valuation; 23rd March 2020



FORRESTER VALUATIONS

VALUERS & PROPERTY CONSULTANTS

Totara Business Village
407 Queen Street, Masterton
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C: 0274426923
E: forrestervaluations@gmail.com

23rd March 2020

The Amenities & Solid Waste Manager,
South Wairarapa District Council,
PO Box 6,
Martinborough.

Attention; Bryce Neems

RE: MARKET VALUE ASSESSMENT

100 FENWICKS LANE, SOUTH WAIRARAPA

Our Reference: 19952

PURPOSE OF VALUATION

In accordance with instructions received we have inspected the property for the purpose of assessing the Current Market Values for sale purposes.

We report as follows;

AREA & LEGAL DESCRIPTION

An estate in fee simple containing 8169 square metres more or less situated in the District Of South Wairarapa being Part Section 19 Moroa District

Also, being all of the land as contained in allocated Certificate Of Title Volume E4 Folio 761 of the Wellington Registry

ZONING:

The land is zoned Rural under the provisions of the Combined Wairarapa District Plan.

RATEABLE VALUATION

As at 1 September 2017.

| | |
|-----------------------|------------------|
| Value Of Improvements | \$ 1,000 |
| Land Value | <u>\$ 30,000</u> |
| Capital Value | \$ 30,000 |

The above rating valuation is an assessment of the value of the property as at 1 September 2017 based on sales at that date. It is not a current market valuation. These values are subject to change due to objections, subdivisions or changes to improvements

LOCALITY

The subject property is located at the southern end of Fenwicks Line and 100 or so metres from the intersection with State Highway 53.

Neighbouring and nearby properties comprise of established stock fattening and dairy farms, together with some scattered lifestyle properties.

Martinborough, Featherston and Greytown all being within an easy 5-10 minute drive from the subject.

THE LAND

An irregular shaped parcel, valued to the physical boundaries as inspected and having frontage to gateway access off the western side of Fenwicks Line.

Formerly being utilised as a gravel pit, the land has been excavated in the past and therefore has various levels, flat areas and also a lower lying area to the rear corner.

Some mature trees also in place over the block



LEASE

We have been provided with a Deed Of Lease over the subject property.

Details of this lease being as follows'

| | |
|-------------------|---|
| Lessor | South Wairarapa District Council |
| Lessee | Ground Control Scape & Construct Limited |
| Term Of The Lease | Initial term of 2 years commencing on the 1 st July 2019 |
| Right Of renewal | One further term of 2 years |
| Permitted Use | For the purpose of storing certain construction/landscaping products such as aggregate, timber, culverts and other landscaping supplies from time to time |
| Rental | \$1,000 per annum plus GST plus rates and other outgoings associated with the land |

SUMMARY AND MARKET COMMENTS

A former Council gravel pit being located at the southern end of Fenwicks Lane and also 100 of so metres from the intersection with State Highway 53.

The lease is in place until 30th June 2023 (if initial term is renewed).

We have assumed that there would be little chance of the land being able to be built for residential style purposes.

The Southern Wairarapa lifestyle property market has been active over recent times, with buyers from outside the local area finding the area to be good value and also within relatively easy commuting distance of Wellington and the Hutt Valley.

VALUATION ASSESSMENT

Taking all relevant factors into account we assess the land area as follows

| | |
|--|-----------------|
| 0.8169 hectares @ \$50,000 per hectare | \$ 40,845 |
| Fix at | \$ 41,000 |
| Plus allowance for fencing etc | <u>\$ 2,000</u> |
| Assessed Market Value | \$ 43,000 |

Assessment being inclusive of GST if any

CERTIFICATION

We hereby certify that;

- We certify that Forrester Valuations has no financial interest or otherwise in the subject property. We further certify that Forrester Valuation has no relationship with the vendor, the purchaser of the agent

FORRESTER VALUATIONS

Commercial, Industrial, Residential and Lifestyle Valuers. Property Consultants

23/03/2020

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PE17

- The undersigned is a Registered Valuer.
- This valuation report is made in accordance with the New Zealand Institute Of Valuers Practice Standards.
- The undersigned holds a current Practising Certificate and is ANZIV qualified.
- We have in force at the date of supplying this valuation report current professional indemnity insurance appropriate to the nature and level of our business activities.
- This report is limited to the client to whom it is addressed and for the purpose for which it is prepared.

We disclaim all responsibility and will accept no liability to any other party and we thank you for your instruction in respect of this valuation.

Yours faithfully

FORRESTER VALUATIONS

P.R. FORRESTER. BBS, SPINZ.
Registered Valuer.

